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### WILMER, CUTLER & PICKERING

2445 M STREET, N.W.

WASHINGTON, D.C. 20037-1420

CATHERINE KANE RONIS

DIRECT LINE (202) 663-6380

CRONIS@WILMER.COM

TELEPHONE (202) 663-6000 FACSIMILE (202) 663-6363 WWW.WILMER.COM 520 MADISON AVENUE NEW YORK, NY 10022 TELEPHONE 12121 230-8800 FACSIMILE 12121 230-8888

IOO LIGHT STREET BALTIMORE, MD 21202 TELEPHONE (410) 986-2800 FACSIMILE (410) 986-2828

JUL - 2 2001 TELEPHONE 1703) 251-9797

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RUE DE LA LOI 15 WETSTRAAT B-1040 BRUSSELS TELEPHONE OII 1322) 285-4900 FACSIMILE OII (322) 285-4949

FRIEDRICHSTRASSE 95 D-10117 BERLIN TELEPHONE 011 149301 2022-6400 FACSIMILE 011 (4930) 2022-6500

### RECEIVED FACSIMILE (410) 986-2828

July 2, 2001

### **BY HAND**

Ms. Magalie R. Salas Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

**RE:** WorldCom, Cox, and AT&T v. Verizon

CC Docket Nos. 00-218, 00-249, and 00-251

Dear Ms. Salas:

Enclosed for filing please find 3 public versions of Verizon Virginia Inc.'s ("Verizon VA") cost studies and the supporting materials associated with the Unbundled Network Element ("UNE") rates, both recurring and non-recurring, proposed by Verizon VA in the above-referenced arbitration proceedings. The non-public version of the studies and supporting material contain significant proprietary material, which has been redacted from the public versions. Verizon VA is also serving 1 public version, 7 non-public versions, and 3 electronic copies (3 disks per set) of the proprietary version of the enclosed materials on Commission staff.

The materials Verizon VA is providing today should provide the Commission with the information necessary to begin the process of understanding and evaluating the studies and their methodologies. The recurring cost studies, for example, begin at Part A and provide a description of the service or facilities at issue, a basic summary of the methodology used, and the cost results. Part A itself is a master summary of all the recurring costs. As these materials explain, the recurring cost studies begin with the material investments associated with each UNE, and then apply various factors to account for the various other related costs. The studies adopt a bottom-up approach and account for all the costs involved in providing each UNE to the CLECs.

Part G contains supporting materials for the various factors Verizon VA applied to calculate the proposed costs.

The non-recurring cost studies can be found at Part H. Part H, Section A contains a description of the methodology used for the non-recurring cost model. Section I contains a summary of Verizon VA's non-recurring costs. In short, the non-recurring cost model is designed to measure the costs of the numerous activities identified as necessary to fulfill CLEC requests for UNEs and related services and products. Verizon conducted surveys to estimate the time involved in those activities, made forward looking adjustments to those estimates, and then multiplied those estimates by the relevant labor rates, which were levelized over the study planning period. The resulting costs were adjusted to account for common overhead and gross revenue loading.

In addition to the studies, results, and back-up material described above that Verizon is filing today, on July 19, 2001, Verizon VA will file its direct testimony in support of its cost studies. The testimony will explain in detail the methodology for each of the studies, as well as the key assumptions, inputs and rationale used in constructing the studies.

Please call Scott Randolph (202-515-2530) or me if you have any questions.

Very truly yours,

Catherine Kane Ronis

Attorney for Verizon Virginia Inc.

Dorothy Atwood (7 proprietary copies, 1 public copy, and 3 electronic copies)
 Mark A. Keffer (2 proprietary copies, 1 public copy, and 2 electronic copies)
 Jodie L. Kelley (2 proprietary copies, 1 public copy, and 2 electronic copies)
 J.G. Harrington (w/o enclosures)
 Scott Randolph (w/o enclosures)
 Lydia R. Pulley (w/o enclosures)

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Expedited Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration	)	CC Docket No. 00-218
In the Matter of Petition of Cox Virginia Telecom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc. and for Arbitration	, , , , , , , , , , , , , , , , , , ,	CC Docket No. 00-249
In the Matter of Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc.	, ) ) ) ) ) )	CC Docket No. 00-251

## VERIZON VIRGINIA INC.'S TELRIC COST STUDIES

### **CERTIFICATE OF SERVICE**

I do hereby certify that true and accurate copies of the foregoing, Verizon Virginia Inc.'s TELRIC Cost Studies, Volumes 1-16, were delivered this 2<sup>nd</sup> day of July, 2001, by hand delivery to:

Mark A. Keffer AT&T 3033 Chain Bridge Road Oakton, VA 22185 Jodie L. Kelley Jenner & Block, LLC 601 13th Street, NW Washington, DC 20005

Catherine Kane Ronis

### DOCUMENT OFF-LINE

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- o An oversize page or document (such as a map) which was too large to be scanned into the ECFS system.
  - o Microfilm, microform, certain photographs or videotape.
- o Other materials which, for one reason or another, could not be scanned into the ECFS system.

The actual document, page(s) or materials may be reviewed by contacting an Information Technician at the FCC Reference Information Center, at 445 12<sup>th</sup> Street, SW, Washington, DC, Room CY-A257. Please note the applicable docket or rulemaking number, document type and any other relevant information about the document in order to ensure speedy retrieval by the Information Technician.

Verizon Virginia, Inc. Telric Cost Studies

- Vol I Part A Summary of Cost
  Part B Unbundled Loop Study –Common Inputs
  Part B-1 Two Wire Basic Unbundled Loop Density Cell 1
- Vol II Part B-2 Unbundled Loop Study –Four Wire Customer Specified Signaling Part B-3 Unbundled Loop Study –Two Wire Customer Specified Signaling Part B-4 Unbundled Loop Study –Two Wire Basic Rate ISDN
- Vol III Part B-5 Unbundled Loop Study –Four Wire Digital Data Services (56 or 64 kbps)
  - Part B-6 Unbundled Loop Study –Four Wire Digital DS1 (1.54 Mbps)
  - Part B-7 Customer Loop (CAR) DS3
    High Capacity Access Model Cost Study
- Vol IV Part B-8 Unbundled Subloop Arrangement (USLA) and Unbundled Feeder Subloop Element (UFSE)
  - Part B-9 Sub Loop Feeder DS3
    High Capacity Access Model Cost Study
    Part 11 Network Interface Device (NID) Cost Study
- . . . . -
- Vol V Part C-! Unbundled Switch Ports and Features Cost Study Part C-2 Simplified Message Desk Interface With features
  - Part C-3 Unbundled Switched DS1 Port Cost Study

Part C-4 Unbundled IDLC Port cost Study

Part C-5 Unbundled End Office Dedicated Trunk Port cost Study

Part C-6 Unbukndled Tandem End Office Dedicated Trunk Port
Cost Study

Vol VI Back-Up File For Parts: C-8 &C-10

Unbundled Switching –Per MOU
Unbundled Tandem Switching
Unbundled Common Trunk Ports
Unbundled Reciprocal Compendation

Part C-7 Tops Trunk Port cost Study

Part C-8 Unbundled Switching-Per MOU

Unbundled Tandem Switching

**Unbundled Common Trunk Ports** 

Part C8-1 Busy HourTo Annual Ration Back-UP

Part C9 Common Transport

Part C10 Unbundled Reciprocal Compensation

Vol VIIPart D-1 Entrance Facility (HSAR) DS3, STS1, OC3 and OC12

Part D-2 IOF Transport cost Study

Part E-1 STP Port Termination UNE Cost Study

Part E-2 SS7/Ain-ISCP 800 Data Base Cost Study

Part E-3 Line Identification Database (LIDB)

Vol VIII Part F-1 Dark Fiber Cost Study

Part F-2 CLEC Customized Routing Service VA FCC

Part F-3 Daily Usage File (DUF) Cost Study

Part F-4 AIN Service Creation Cost Study

Part F-5 Access to OSS Cost Study

Part F-6 VA Resale Study

#### Vol IX Wholesale NRC Model UNE/Service List

Exhibit Part H

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Section C Functional Organizations Descriptions

Section D Activity Description

Section E Wholesale NRC Model/Levelived Labor Rates

Section F Verizon NRC Model/ Input Factors

Section A NRC Model for UNE/Description of NRCM Methodology

Section G Wholesale NRC Model/Two Wire New Initial Section H Wholesale NRC Model/ Filing Cost Summary

Section I Whilesale Rate Structure & Cost Summary / FCC UNE. Arb.

Hearing

Section J Service Costs

Section K Work-Time Survey For UNE and Related Servcies

Section M NR Work Activities Survey

Section L NR UNE Cost Study/ Panel Instructions

**NR Cost Studies** 

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Part G-1 Avoided Cost Study

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VA Switch Mix Support Data

VA Vendor Support Files (IOF, Dark, Fiber Entrance Facitlity)

VA Switch Mix Support Data

VA Vendor Support Files (IOF, Dark Entrance Facility)

Vol XII Wholesale Common Overhead Expense Loading 2000

Part G-3 GRL Factor Study

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Part G-5 Marketing Factor Study

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Vol XIII Non-Recurring Cost Model (Cont't)
Backup to Non-Recurring Model

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Vol XV Model User Manuals Support and Instruction

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SCIS Installation Instructions

SCIS/MO User Guide

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Tab 2 Personal Oracle Installation Instruction

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Tab 5 LCAM ODBC Setup Instructions

Tab 6 LCAM Cleanse Procedure User Manual

Tab 7 LCAM V1.5.5 Documentation User Manual & Overviews

Tab 8 LCAM Operational Documentation

Tab 9 Vcost User Documentation- Product Cost Development

Tab 10 Vcost User Documentation- Data Table Utility